No. 11940

IN THE

United States Circuit Court of Appeals

FOR THE NINTH CIRCUIT

LANE BRYANT, INC.,

Appellant,

vs.

MATERNITY LANE LTD., OF CALIFORNIA, a corporation, JACK LANE, JR., JANE LANE and LUCILLE LANE,

Appellees.

TRANSCRIPT OF RECORD

Upon Appeal From the District Court of the United States for the Southern District of California Central Division

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Parker & Company, Law Printers, Los Angeles. Phone TR. 5206.

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[Clerk's Note: When deemed likely to be of an important nature, errors or doubtful matters appearing in the original certified record are printed literally in italics; and likewise, cancelled matter appearing in the original certified record is printed and cancelled herein accordingly. When possible an omission from the text is indicated by printing in italics the two words between which the omission seems to occur.]

NAMES AND ADDRESSES OF ATTORNEYS:

For Appellant:

McCUTCHEN, THOMAS, MATTHEW, GRIFFITHS & GREENE

HAROLD A. BLACK

704 Roosevelt Building

Los Angeles 14, Calif.

For Appellees:

H. MILES RASKOFF

1202 Broadway Arcade Building

Los Angeles 13, Calif. [1*]

*Page number appearing at foot of Certified Transcript.

In the District Court of the United States in and for the Southern District of California
Central Division

No. 7664-PH

LANE BRYANT, INC., a corporation,

Plaintiff,

vs.

MATERNITY LANE LTD. OF CALIFORNIA, a corporation; JACK LANE, JR.; JANE LANE; LUCILLE LANE; JOHN DOE ONE; and JOHN DOE TWO,

Defendants.

COMPLAINT FOR INJUNCTION

Plaintiff above named complains of the above named defendants as follows:

I.

At and during all of the times hereinafter mentioned plaintiff has been and now is a corporation organized and existing under the laws of the State of Delaware.

II.

Ever since March, 1946, defendant, Maternity Lane Ltd. of California has been and still is a corporation organized and existing under the laws of the State of California, doing business in the Southern District of California, and defendants Jack Lane, Jr., Jane Lane and Lucille Lane have been and still are citizens of California and officers of Maternity Lane Ltd. of California, [2] to wit: president, vice president and treasurer respectively.

III.

John Doe One and John Doe Two are sued herein as fictitious defendants for the reason that plaintiff is not acquainted with their true names and when the same are discovered plaintiff will ask leave to substitute the same for said fictitious names.

IV.

Jurisdiction herein is founded upon the diversity of citizenship between the plaintiff and the defendants and the matter in controversy herein, exclusive of interest and costs, exceeds the value of $3,000.00.

V.

Plaintiff was organized in 1920 to acquire, and it did acquire and thereafter conduct, the business, good will and trade-marks of a New York corporation of the same name which had been organized in 1916 to acquire, and which did acquire and thereafter conduct, the business, good will and trade-marks of an enterprise established by Lane Bryant, an individual, in 1900.

VI.

From its inception said business specialized in maternity apparel and apparel for stout women and for many years has done a large business in such apparel under the name "Lane Bryant", through its retail stores and departments, in addition to an extensive mail order business in the United States and Canada under said name. Plaintiff operates seven stores, directly or through wholly owned subsidiaries, under the name "Lane Bryant" in New York, New York; Brooklyn, New York; Chicago, Illinois; Philadelphia, Pennsylvania; St. Louis, Missouri; Detroit, Michigan; and Baltimore, Maryland. Wholly owned subsidiaries of plaintiff operate stores in which "Lane Bryant

Departments" are maintained in Cleveland, Ohio; St. Paul, Minnesota; Oshkosh, Wisconsin; Green Bay; Wisconsin; Davenport, Iowa; Des Moines, Iowa; South Bend, Indiana; Springfield, Illinois; [3] Kankakee, Illinois; Rockford, Illinois; Waukegan, Illinois; and Decatur, Illinois. Plaintiff's mail order division is located at Indianapolis, Indiana.

VII.

Commencing in 1911, "Lane Bryant" was used in said business as a common law trade-mark. Application for registration thereof was filed in the United States Patent Office on October 20, 1927, and issued as trade-mark No. 238911 on February 14, 1928.

VIII.

Since 1916 plaintiff and its predecessor Lane Bryant, Inc., a New York corporation, have expended approximately $33,000,000.00 in advertising its retail and mail order business under said corporate name and said trademark, in newspapers and magazines throughout the United States. In addition, the plaintiff and said predecessor have expended approximately $10,000,000.00 over the same period of years in connection with mail order catalogues which have been widely distributed throughout the United States. More than 50,000 of said mail order catalogues for maternity apparel were mailed in the year 1938 through the spring of 1947 to customers of plaintiff living in California.

IX.

In its advertising of maternity apparel, plaintiff has stressed the word "Maternity" in association with the plaintiff's corporate name and trade-mark, by the composition and typography of the material. As a part of

such advertising and in furtherance of its purpose, plaintiff's predecessor adopted the phrase "Mothers-to-be" or the phrase "Mother-to-be" in 1918, and said phrase has been continuously used by it and by plaintiff since that time.

X.

Plaintiff has become permanently identified in the public mind as a specialist in maternity apparel; and the name "Lane Bryant", the word "Maternity" and the phrase "Mother-to-be" when [4] used in conjunction with "Lane Bryant" or other similar name or word in advertising maternity apparel have acquired a secondary meaning throughout the United States whereby the public associates such name, word and phrase, when used as herein described, as referring to and meaning the plaintiff.

XI.

Plaintiff's business started with one store in New York City and said business has been expanded by plaintiff's entry into the mail order field and by the establishment of additional retail stores and departments under the name "Lane Bryant" in other cities. Plaintiff has many customers residing in Los Angeles who purchase from it by mail order and at said retail stores and departments. Plaintiff may hereafter establish retail stores and departments under the name "Lane Bryant" in California, and particularly in Los Angeles.

XII.

Plaintiff has acquired a high reputation in its field and a good will which is worth greatly in excess of $1,000,000.00.

XIII.

In March, 1946, defendant Maternity Lane Ltd. of California established and has thereafter operated a retail store for the sale of maternity apparel located on the ground floor at 3837 Wilshire Boulevard, Los Angeles, California. Said store maintains a large neon sign and also a sign on its window containing the words "Maternity Lane" written in a script closely resembling plaintiff's trade-mark and corporate name. Shortly thereafter said defendant commenced and has since continued to solicit mail order business for such apparel throughout the United States, by means of an advertising program in nationally circulated magazines as well as in Los Angeles newspapers. Said acts of said defendant have been done by and through the participation of the individual defendants who are the officers and agents of said corporate defendant. [5]

XIV.

By the adoption and exploitation of the corporate name "Maternity Lane Ltd. of California", which the defendants frequently shorten to "Maternity Lane Ltd.", defendants in the conduct of their business are endeavoring to pass themselves off as being connected with plaintiff in a manner and with the intent to deceive the public, and to cause the public to believe that maternity apparel sold by plaintiff can be purchased at the retail store of said defendant or by mail order from it. As an illustration of defendants' conduct, they have copied and repeatedly used the phrase "Mother-to-be" and in at least one instance, which has come to plaintiff's attention, an advertisement of the corporate defendant copied said phrase in the identical script which plaintiff had developed and adopted therefor.

XV.

Plaintiff has protested to the corporate defendant against the use by it of the name "Maternity Lane Ltd. of California" and the simulation of plaintiff's corporate name and trade-mark. Despite such protests defendants have not only refused to discontinue the use of the name "Maternity Lane Ltd. of California" but have thereafter intensified their simulation of plaintiff and plaintiff's corporate name and trade-mark.

XVI.

The acts of defendants which are complained of herein were done in violation of plaintiff's exclusive right to its trade-mark "Lane Bryant" used in connection with plaintiff's sale of maternity apparel, and with a fraudulent and unlawful intent and design to appropriate the plaintiff's good will by simulating its corporate name and trade-mark and by imitating plaintiff's distinctive advertising and slogans, all for the purpose of thereby unlawfully diverting plaintiff's customers and business to the corporate defendant. [6]

XVII.

Unless defendants are immediately restrained in accordance with the prayer of this complaint, plaintiff will be irreparably damaged and the public will be deceived and defrauded as hereinabove alleged.

XVIII.

Plaintiff has no speedy or adequate remedy at law and the extent of the injury which it will suffer in its business as hereinabove allleged cannot be compensated adequately or at all in damages.

Wherefore plaintiff prays:

1. That the court issue (a) a preliminary injunction pending the trial of this action and (b) upon the trial of this action an order making such preliminary injunction permanent, restraining the defendants and each of them and all of their agents, officers, servants, employees and stockholders from including or using, in any name under which they or any of them do or might do business, and in all advertising or publishing which any of them do or cause to be done, or may hereafter do or cause to be done in connection with their said business or any part thereof, the word "Lane" in connection with the word "Maternity" or any other word pertaining to the maternity apparel business or any simulation thereof or the phrase "Mother-to-be" or any colorable imitation thereof, and from using the name "Maternity Lane" or "Maternity Lane Ltd. of California" or any colorable imitation thereof in connection with their said business.

2. That plaintiff have its costs incurred herein.

3. That plaintiff may have such other and further relief as may be just and proper in the premises.

LOEB AND LOEB
By H. F. Birnbaum
Attorneys for Plaintiff

[Endorsed]: Filed Oct. 2, 1947. Edmund L. Smith, Clerk. [7]

[Title of District Court and Cause]

NOTICE OF MOTION FOR PRELIMINARY INJUNCTION

To the Defendants Above Named and to Their Attorneys:

You and Each of You Will Please Take Notice that upon the Affidavit of Raphael Bryant Malsin verified the 22nd day of August, 1947, and the Affidavit of Harold F. Birnbaum verified the 30th day of September, 1947, a motion will be made in this court on the 20th day of October, 1947, pursuant to Rule 65 of the Federal Rules of Civil Procedure, for a preliminary injunction restraining you and each of you, during the pendency of this action and until further order of this court, from including or using in any name under which you or any of you do or might do business, and in all advertising or publicizing which you or any of you do or cause to be done, or may hereafter do or cause to be done in connection with your said business or any part thereof, the word "Lane" in connection with the word [8] "Maternity" or any other word pertaining to the maternity apparel business or any simulation thereof or the phrase "Mother-to-be" or any colorable imitation thereof, and from using the name "Maternity Lane" or "Maternity Lane Ltd. of California" or any colorable imitation thereof in connection with your said business.

LOEB AND LOEB
By H. F. Birnbaum
Attorneys for Plaintiff

[Endorsed]: Filed Oct. 2, 1947. Edmund L. Smith, Clerk. [9]

[Title of District Court and Cause]

AFFIDAVIT IN SUPPORT OF MOTION FOR PRELIMINARY INJUNCTION

State of New York
County of New York—ss.

Raphael Bryant Malsin, being duly sworn deposes and says:

I am president of Lane Bryant, Inc., the plaintiff herein and am the son of Mrs. Lane Bryant Malsin who founded plaintiff's business.

Plaintiff was organized as a Delaware corporation in 1920 to acquire the business, good will and trade-marks of Lane Bryant, Inc., a New York corporation which had been organized in 1916 to take over the business, good will and trade-marks of the business established by my mother in 1900.

Said business has specialized, since it was organized, in maternity apparel and apparel for stout women. The plaintiff now operates, directly or through wholly owned subsidiaries, seven stores under the name "Lane Bryant" in New York, New York; Brooklyn, New York; Chicago, Illinois; Philadelphia, Pennsylvania; St. Louis, Missouri; Detroit, Michigan; and Baltimore, Maryland; and has "Lane Bryant Departments" in stores operated under different names by wholly owned subsidiaries of plaintiff in Cleveland, Ohio; St. Paul, Minnesota; Oshkosh, Wisconsin; Green Bay, Wisconsin; Davenport, Iowa; Des Moines, Iowa; South Bend, Indiana; Springfield, Illinois; Kankakee, Illinois; Rockford, Illinois; Waukegan, Illinois; and Decatur, Illinois. A total of 19 stores and departments in the United States, and a mail order division

located in Indianapolis, Indiana, sell "Lane Bryant" maternity apparel under that name.

Plaintiff's consolidated net sales (of which approximately 5% were sales of maternity apparel) during the years 1937 to 1946, inclusive, were:

1937	$14,614,004.16
1938	14,111,440.95
1939	13,355,727.67
1940	14,088,839.48
1941	15,373,983.24
1942	20,554,051.48
1943	26,786,969.15
1944	32,057,177.79
1945	36,699,126.89
1946	41,056,992.41

Of such sales approximately 25% were mail order sales done by the mail order division hereinafter described.

The mail order division of the plaintiff was started in 1912. Thereafter separate catalogues, one for the maternity line and one for the stout woman's line, were published in the spring and also in the fall of each year. In the years 1939 through the spring of 1947, inclusive, more than 2,000,000 catalogues for the maternity line have been distributed throughout the United States and Canada. More than 50,000 of said catalogues were mailed in said years to customers of plaintiff living in California, and more than 6,200 to customers of plaintiff in Los Angeles. Such catalogues average 36 pages and a specimen of the most recent such catalogue is attached hereto marked Exhibit "A", and made a part hereof.

In addition to the distribution of mail order catalogues plaintiff has advertised extensively in newspapers, in

nationally circulated magazines and over the radio. Since 1916 plaintiff and its predecessor Lane Bryant, Inc., a New York corporation, has expended approximately $33,000,000 in advertising its retail and mail order business in newspapers and magazines throughout the United States under its corporate name and the trade-mark hereinafter referred to. In addition the plaintiff has expended over the same period of years approximately $10,000,000 in connection with its catalogues which have been widely distributed throughout the United States, including particularly the State of California and the City of Los Angeles.

In 1911 "Lane Bryant" was adopted and thereafter used in said business as a common law trade-mark. Application for registration thereof was filed in the United States Patent Office on October 20, 1927, and issued as trade-mark No. 238911 on February 14, 1928. A copy thereof is annexed hereto, marked Exhibit "B" and made a part hereof. In all advertising throughout the many years, the plaintiff and its predecessors have always stressed the name and trade-mark, "Lane Bryant"; and have associated the word "Maternity" in connection and conjunction with said name "Lane Bryant" in advertising maternity apparel.

Annexed hereto marked Exhibit "C" and made a part hereof are specimens of typical advertisements of the maternity line which have been published by plaintiff in nationally circulated magazines in recent years; said exhibits list the magazines and the issues in which such advertisements appeared.

One of the purposes of plaintiff's advertising has been to establish in the minds of the public the fact that plain-

tiff is a specialist in maternity apparel. In furtherance of its purpose of establishing plaintiff's business in maternity apparel in the mind of the public, the slogan "Mothers-to-be" was adopted in 1918 and thereafter used continuously in said advertising material. Annexed hereto and marked Exhibit "D", and made a part hereof is a copy of a catalogue cover page, issued in 1918 by the plaintiff's predecessor, containing the phrase "Mothers-to-be". Exhibit "E" annexed hereto and made a part hereof is a copy of an advertisement of the plaintiff used in New York, with the phrase "Mother-to-be". It is a specimen of a typical 1947 ad, published by the plaintiff throughout the United States in various cities thereof, showing the phrase and the distinctive script which the plaintiff has adopted therefor. The phrase is also occasionally used in the text, as illustrated by Exhibit "F" annexed hereto and made a part hereof, which appeared in the June, 1947, issue of Charm Magazine.

Althought plaintiff does not advertise in local Los Angeles newspapers, its advertising program is carried to customers in California and in Los Angeles, not only by the use of nationally circulated magazines as set forth in Exhibit "C", which magazines have a large circulation in California and Los Angeles, but also by advertisements in newspapers which have substantial circulation in California and Los Angeles; for example, the Chicago Tribune, New York Herald Tribune and various daily papers published in the cities in which plaintiff and its subsidiaries have stores. Plaintiff advertises daily in the New York Times which has a circulation in California of 8,126 for its Sunday edition and 1,567 for its daily editions, of which approximately 50% is in the Los Angeles trading area, according to information supplied by the Los Angeles office of the New York Times.

Furthermore, the widespread publicity which plaintiff has received is illustrated by an article appearing in the February 10, 1947 issue of Time Magazine of which a copy is annexed, marked Exhibit "G" and made a part hereof. In addition affiant knows that the name "Lane Bryant" as synonymous with maternity apparel has repeatedly been the subject of comment in radio programs and nationally syndicated columns as indicated in the statement in Time Magazine that a visit to Lane Bryant's store "almost automatically lands a woman in Winchell's column."

In addition to its mail order business, which covers the entire United States, plaintiff has engaged in a program of geographical expansion of its retail outlets maintained under the name "Lane Bryant", or in its subsidiary names with "Lane Bryant Departments", and may hereafter establish such retail outlets under such name in California, and particularly in Los Angeles. This plaintiff has for more than two years maintained and still maintains a buying office located at 824 South Los Angeles Street, Los Angeles, California.

Affiant believes that it is a matter of common knowledge that there has been a tremendous movement of population to the Los Angeles area and that this necessarily includes a large number of persons who have purchased maternity apparel at plaintiff's retail outlets or through its mail order service or who know of plaintiff's business in maternity apparel, and that many of such persons are potential customers of plaintiff.

Attached hereto marked Exhibit "H" is a photograph of the exterior of defendant's store in Los Angeles, California, and affiant calls attention to the manner in which the words "Maternity Lane" are written in a script closely

resembling that used in plaintiff's corporate name and trade-mark. Not content with the simulation of plaintiff's corporate name and trade-mark, in connection with the sale of maternity apparel, in which the plaintiff has been engaged for so many years, the defendant has gone further and in its advertising has used the slogan and phrase "Mother-to-be" which the plaintiff and its predecessor have been using since 1918.

Attached hereto marked Exhibits "I" and "J" are specimens of newspaper advertising published by defendant on page 6 of the Second Section of the Los Angeles Times of May 8, 1947, and a specimen of a magazine advertisement published by defendant on page 45 of the June, 1947, issue of the magazine Charm, in which issue plaintiff also had an advertisement appearing on page 50 thereof (Exhibit "F"). Defendant may have used other media presently unknown to affiant. Plaintiff published advertisements of its maternity line in said magazine Charm in April, 1945, September, 1945, March and April, 1946, September and October, 1946, and March, April and June, 1947. In defendant's advertisement published in the magazine Charm, and in the newspapers, defendant has used its name, which simulates part of plaintiff's corporate name and trade-mark and has repeated its use of plaintiff's featured phrase "Mother-to-be" and has continued its attempt to take unto itself and benefit by plaintiff's good will by using, at least in Exhibit "J", a script and format for said phrase which is almost identical with that used by plaintiff in its name and as shown in Exhibit "E" except that defendant has capitalized the letters "t" and "b". Affiant believes that the change in typography of the phrase "Mother-to-be" as illustrated by the difference between Exhibit "I" and Exhibit "J" shows the man-

ner in which defendant is increasing its effort to hold itself out as being connected with plaintiff, and to imitate plaintiff's name and slogan. The attention of the Court is likewise called to the fact that the defendant is seeking to engage in a mail order business as evidenced by the coupon attached to the ad appearing in Exhibit "J", in competition with plaintiff and under a name which simulates that of the plaintiff, in which the defendant has taken part of the plaintiff's corporate name and trademark and has combined it with the word "Maternity" to indicate that defendant is dealing in apparel for which plaintiff is known to be a specialist.

Affiant further believes that plaintiff's good name and national standing will continue to cause many residents of California and particularly of the Los Angeles area to desire to purchase merchandise from plaintiff and that there is a great danger that defendant's conduct if persisted in will confuse such persons and lead them to believing that defendant's store in Los Angeles is a retail outlet of plaintiff. In addition defendant's solicitation of mail order business by advertising in the same media as the plaintiff, under a name and format which is a copy of and simulation of plaintiff's corporate name and trademark, will cause confusion among plaintiff's present and potential mail order customers.

Plaintiff's good will has been built up at large expense over a period of more than twenty-five years, and while affiant is unable to place a precise valuation upon it affiant believes that such good will is worth greatly in excess of $1,000,000.

Plaintiff has caused its counsel to protest to defendant against the continued use of the corporate name Ma-

ternity Lane, Ltd. of California. Attached hereto marked Exhibits "K", "L" and "M" are copies of telegram dated February 15, 1946, letter dated February 15, 1946, and letter dated January 7, 1947, containing such protests. Although no written reply has been received to any of such communications affiant has been informed that defendant had made oral statements to plaintiff's counsel rejecting such protests and indicating that defendant intends to continue its present name and manner of doing business, which affiant believes is unfair competition.

The acts of the defendant in

(a) Using a corporate name, which resembles and takes unto itself part of the corporate name and trade-mark of the plaintiff, in the maternity apparel business in which the plaintiff has been engaged for many years;

(b) Attempting in the course of such business to divert unto itself the good will of the plaintiff by simulating its corporate name and by copying and paraphrasing the advertising slogans and phrases of the plaintiff with respect to "Mother-to-be" in connection with the use of plaintiff's corporate name and trade-mark;

(c) Seeking to divert plaintiff's business unto itself by advertising for mail order business in the same media used by the plaintiff, i. e., in nationally circulated magazines, under an imitative name and similar slogans;

(d) Attempting to solicit retail and mail order business under a name similar to plaintiff's in a field in which plaintiff has been preeminent for more than twenty-five years

is to the detriment of this plaintiff and is likely to cause and may cause confusion in the mind of the public generally between the identity of this plaintiff and this defendant and will cause plaintiff irreparable damage unless defendant is enjoined from the practices herein complained of, and more particularly is enjoined from using the name "Lane" alone or in connection with the word "Maternity" or any other similar word in connection with the sale of maternity apparel.

Wherefore, deponent prays that the Court issue a preliminary injunction pending the trial of this action restraining the defendants and each of them, all of their agents, officers, servants, employees and stockholders from including and using, in any name under which they do or might do business and all advertising and publishing which any of them do or cause to be done or may hereafter do or cause to be done in connection with their said business or any part thereof, the word "Lane" in connection with the word "Maternity" or any other word pertaining to the maternity business or any simulation thereof or the phrase or slogan "Mother-to-be" or any colorable imitation thereof and from using the name "Maternity Lane" or "Maternity Lane Ltd., of California" or any colorable imitation thereof in connection with the business of maternity garments.

That the plaintiff have such other and further relief as may be just and proper in the premises.

RAPHAEL BRYANT MALSIN

Subscribed and sworn to before me this 22nd day of August, 1947.

(Seal) LILLIAN YAMPOLE

Notary Public in the State of New York, Residing in New York County. N. Y. Co. Clk's No. 22, Reg. No. 52-Y-8. Kings Co. Clk's No. 10, Reg. No. 36-Y-8. Commission Expires March 30, 1948.

State of New York
County of New York—ss.: No. 50630

I, Archibald R. Watson, County Clerk and Clerk of the Supreme Court, New York County, a Court of Record having by law a seal, Do Hereby Certify that Lillian Yampole, whose name is subscribed to the annexed affidavit, deposition, certificate of acknowledgment or proof, was at the time of taking the same a Notary Public in and for the State of New York, duly commissioned and sworn and qualified to act as such throughout the State of New York; that pursuant to law a commission, or a certificate of *his* appointment and qualifications, and *his* autograph signature, have been filed in my office; that as such Notary Public *he* was duly authorized by the laws of the State of New York to administer oaths and affirmations, to receive and certify the acknowledgment or proof of deeds, mortgages, powers of attorney and other

written instruments for lands, tenements and hereditaments to be read in evidence or recorded in this State, to protest notes and to take and certify affidavits and depositions: and that I am well acquainted with the handwriting of such Notary Public, or have compared the signature on the annexed instrument with *his* autograph signature deposited in my office, and believe that the signature is genuine.

In Witness Whereof I have hereunto set my hand and affixed my official seal this 22 day of Aug., 1947.

(Seal) ARCHIBALD R. WATSON
County Clerk and Clerk of the Supreme Court,
New York County

Fee Paid 25¢

(Exhibit A—Catalogue)

* * * * * * * * *

[Endorsed]: Filed Oct. 2, 1947. Edmund L. Smith, Clerk.

[Title of District Court and Cause]

AFFIDAVIT IN SUPPORT OF MOTION FOR PRELIMINARY INJUNCTION

State of California
County of Los Angeles—ss.

Harold F. Birnbaum, being first duly sworn deposes and says:

I am a member of the firm of Loeb and Loeb and am counsel for the plaintiff in the above entitled action.

Since the Affidavit of Raphael Bryant Malsin, verified the 22nd day of August, 1947, was prepared, affiant has been informed that the advertisement of the defendant Maternity Lane Ltd. of California, a copy of which is annexed to Mr. Malsin's affidavit as Exhibit "J", was republished in the July 1947 issue of Charm Magazine at page 22.

Since Mr. Malsin's affidavit was prepared the plaintiff has also obtained copies of a number of other advertisements published by the defendant in the Los Angeles Times and the Los Angeles Examiner. Copies of these advertisements are attached hereto, marked Exhibit "A", and made a part hereof. In seventeen of these advertisements the defendant uses the phrase "Mother-to-be" in conjunction with its name Maternity Lane Ltd. of California; in nine of them it solicits mail-order business; and in eight of them prints mail-order coupons.

HAROLD F. BIRNBAUM

Subscribed and sworn to before me this 30th day of September, 1947.

(Seal) J. E. HIGGINS

Notary Public in and for the Said County and State

My Commission Expires May 9, 1950.

* * * * * * * * *

[Endorsed]: Filed Oct. 2, 1947. Edmund L. Smith, Clerk.

[Title of District Court and Cause]

NOTICE OF MOTION TO DISMISS

To the Plaintiff Above Named and to Loeb and Loeb, Its Attorneys:

You, and Each of You Will Please Take Notice, that on the 27th day of October, 1947, at the hour of 10 o'clock A. M., or as soon thereafter as counsel can be heard, in the Court Room of Honorable Peirson M. Hall, Judge of the above named court, a motion will be made to dismiss the action pursuant to rule 12(b) of the Federal Rules of Civil Procedure, on the ground that the complaint filed herein fails to state a claim against defendants upon which relief can be granted.

Dated October 17th, 1947.

H. MILES RASKOFF

Attorney for Certain Defendants

Received copy of the within Notice of Motion to Dismiss this 17th day of October, 1947. Loeb & Loeb, per H. F. Brinker, Attorneys for Plaintiff.

[Endorsed]: Filed Oct. 17, 1947. Edmund L. Smith, Clerk. [11]

[Title of District Court and Cause]

AFFIDAVIT OF JACK LANE, JR., IN SUPPORT OF DEFENDANTS' MOTION TO DISMISS AND IN OPPOSITION TO PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION

State of California
County of Los Angeles—ss.

Jack Lane, Jr., being first duly sworn, deposes and says:

I am President of the defendant Maternity Lane, Ltd. (sued herein as Maternity Lane, Ltd. of California) and one of the individual defendants herein. At all times herein mentioned I have been, and I now am, active in the management of the business of said corporate defendant. The corporate defendant is a close corporation with all of its stock being owned by members of the Lane family.

Said corporate defendant has been since its inception, and it now is, engaged exclusively in the sale at retail, of maternity apparel—no other kind of merchandise is sold by defendant. Defendant's corporate name and the name under which it does business, to-wit: "Maternity Lane, Ltd." was selected without any reference whatsoever to plaintiff's name. Said name is simply a combination of the word describing the type of business carried on and the surname of the family which owns all the stock of the corporate defendant. It was selected solely and exclusively because the officers and stockholders felt that said name succinctly described the proposed business activity in a pleasant, distinctive and appropriate manner.

The use of a long-hand type script in defendant's advertising material until on or about the first week of September, 1947, shortly after plaintiff made known an objection to that type of script, was the result of affiant's choosing from several sample advertising lay-outs submitted, and the choice was based solely on the fact that I deemed this type of printing to be more attractive than the other samples submitted to me. At no time did I refer to plaintiff's advertising material in connection with defendants' advertising until my counsel advised me that plaintiff took the position that the use of said script was in some way violative of plaintiff's rights.

All discussions and correspondence with plaintiff and its counsel concerning plaintiff's claim of unfair competition was handled for defendants by one of defendants' counsel, Max L. Raskoff. When Mr. Raskoff informed me, during the month of August, 1947, that plaintiff made some objection to the use of script lettering in defendants' advertising, I immediately discontinued the use of script in defendants' advertising. Prior to the time when plaintiff made known its objection to the use of script, defendants had not consistently and exclusively used script type lettering in its advertising nor did defendants use the same type of script in the advertising material wherein script was used, as appears clearly from "Exhibit A" to the affidavit of Harold F. Birnbaum filed by plaintiff herein.

Affiant selected the sign which is affixed to defendants' store, a picture of which is attached to Mr. Malsin's affidavit filed herein by plaintiff and marked "Exhibit H" hereto. The choice of the particular type of lettering used in said sign was made from two samples submitted to me and I selected the particular type used for the

reason that it was more attractive than the block type lettering of the second sample.

Affiant has used the phrases "Mother-to-be" and "Mothers-to-be" in defendants' advertising material merely because those phrases are among the very few phrases which describe the persons to whom defendants' advertising is directed. Said phrases are commonly used in the maternity apparel business by many firms in advertising the sale of maternity apparel. The phrase has been used by such large retailing and mail order institutions as Sears, Roebuck & Co., Montgomery Ward & Co.

Since the filing of this action affiant has examined several mail order catalogs published by Sears, Roebuck and Co. and Montgomery Ward & Co. and I have found therein that the phrases "Mother-to-be" and "Mothers-to-be" are frequently used in advertising the sale of maternity apparel Attached hereto and marked "Exhibit A" is a copy of a page from the 1947-1948 Fall and Winter Catalog published by Sears, Roebuck and Co. wherein the phrase "Mother-to-be" is prominently used. My examination of the 1942-1943 Fall and Winter Catalog published by the same company revealed the use of the phrase "Mothers-to-be" on page 262B thereof and again on page 262C in connection with advertising the sale of maternity apparel. I found the phrase "Mother-to-be" used in the same connection at page 72 of the 1947-1948 Fall and Winter Catalog just published by Montgomery Ward & Co.; the phrase has been used by said company at least as far back as 1940 inasmuch as I saw the phrase used on page 154 of the 1940 Spring and Summer mail order catalog of Montgomery Ward & Co. Attached hereto and marked "Exhibit B" are specimens of

advertising of other retailers, including such organizations as the May Co., where I found said phrases prominently used.

While the corporate defendant has been sued herein under the name "Maternity Lane, Ltd. of California," the true and correct name is simply "Maternity Lane, Ltd." Since the defendants have undertaken advertising in certain national magazines the words "of California" have been added to defendants' corporate name to identify the geographical location of defendants.

At no time have defendants, or any of them, intended or attempted to pirate, copy or simulate any of plaintiff's trademarks, slogans, lettering or advertising; nor have defendants, or any of them, at any time, intended or attempted to confuse or mislead any customers of either plaintiff or defendants or any members of the public concerning defendants' identity.

JACK LANE, JR.

Subscribed and sworn to before me this 17th day of October, 1947.

(Seal) GEORGE J. TAPPER

Notary Public in and for the County of Los Angeles, State of California.

* * * * * * * * *

Received copy of the within Affidavit of Jack Lane, Jr., etc., this 17th day of October, 1947. Loeb & Loeb, per H. F. Brinker, Attorneys for Plaintiff.

[Endorsed]: Filed Oct. 17, 1947. Edmund L. Smith, Clerk.

[Title of District Court and Cause]

AFFIDAVIT OF MAX L. RASKOFF IN SUPPORT OF DEFENDANTS' MOTION TO DISMISS AND IN OPPOSITION TO PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION

State of California
County of Los Angeles—ss.

Max L. Raskoff, being first duly sworn, deposes and says:

I am a member of the Bar of the State of California and since the month of February, 1946 I have given the defendants herein advice and counsel in connection with the claim asserted by plaintiff against defendants, on or about said date and again asserted in the case at bar.

I have read the affidavit of Raphael Bryant Malsin, filed in this cause in support of plaintiff's motion for preliminary injunction and am familiar with the contents thereof. On line 24, page 7 of said affidavit it is alleged that no reply was ever received to the telegram and letter dated February 15, 1946 ("Exhibits [12] K and L" to said affidavit) sent the defendants by plaintiff's New York counsel. Shortly after receipt of said telegram and letter by defendants they were referred to me for reply. On the 26th day of February, 1946 I sent a written reply to plaintiff's New York counsel in which I informed plaintiff of my opinion that defendants' engagement in business under its corporate name constituted no infringement of plaintiff's trade-mark nor unfair competition with plain-

tiff. Said letter was properly addressed, with postage fully prepaid and was deposited in the United States mail at Los Angeles, California, on or about the 26th day of February, 1946. Although the envelope containing said reply contained affiant's name and address, it was never returned to affiant. A copy of said letter is attached hereto and marked "Exhibit A."

No further communication was received from plaintiff or its counsel until defendant received from plaintiff's Los Angeles counsel the letter dated January 7, 1947, a copy of which is attached to Mr. Malsin's affidavit filed herein and marked "Exhibit M" thereto. Upon receipt of the aforesaid letter, which was approximately eleven months after receipt of the first letter and telegram, I had numerous discussions with plaintiff's Los Angeles counsel concerning the said controversy, and, at no time during any of the said discussions was any mention ever made of any alleged resemblance between the script used by plaintiff and defendants in their respective advertising until some time during the month of August, 1947. In the said discussions plaintiff's counsel took the position that the name "Maternity Lane" was of itself an infringement of and in unfair competition with the name "Lane Bryant" and I took the contrary position throughout said discussions. Some time during the month of August, 1947, plaintiff's counsel, during the course of one such discussion, asserted that plaintiff and defendants used similar script in their advertising material and plaintiff took the position that this alleged similarity constituted a

violation [13] of plaintiff's rights. I informed plaintiff's counsel that in my opinion there was no similarity and no violation of plaintiff's rights, but upon informing defendants' officers of plaintiff's contention, defendants voluntarily ceased using script in any of its advertising material thereafter.

At no time during any of my numerous discussions with plaintiff's counsel did plaintiff ever make any mention or contention with respect to the use of the phrase "Mother-to-be" or "Mothers-to-be" as used by either plaintiff or defendants in their advertising material. The first time any such assertion was made by plaintiff was in the papers filed herein.

MAX L. RASKOFF

Subscribed and sworn to before me this 17th day of October, 1947.

(Seal) GEORGE J. TAPPER

Notary Public in and for the County of Los Angeles, State of California [15]

EXHIBIT "A"

MAX L. RASKOFF
Attorney-at-Law
621 Roosevelt Building
727 West Seventh St.
Los Angeles 14, California
TRinity 5385

February 26th, 1946

Messrs. Spiro, Felstiner & Prager
Counselors at Law
270 Madison Avenue
New York 16, New York

Gentlemen:

My client, Maternity Lane, Ltd. of this city has consulted with me regarding your letter to it of February 15, 1946.

This is to inform you that I have advised my client that in conducting its business under its trade name there is no infringement of your client's trademark nor unfair competition with your client.

Very truly yours,

/S/ MAX L. RASKOFF

MLR:m [15]

Received copy of the within Affidavit of Max L. Raskoff, etc., this 17th day of Oct., 1947. Loeb & Loeb, per H. F. Brinker, Attorneys for Plaintiff.

[Endorsed]: Filed Oct 17, 1947. Edmund L. Smith, Clerk. [16]

[Title of District Court and Cause]

COUNTER-AFFIDAVIT OF HAROLD F. BIRNBAUM IN SUPPORT OF MOTION FOR PRELIMINARY INJUNCTION

State of California
County of Los Angeles—ss.

Harold F. Birnbaum, being first duly sworn deposes and says:

I am a member of the firm of Loeb and Loeb and am counsel for the plaintiff in the above entitled action.

I have read the "Memorandum of Points and Authorities in Opposition to Plaintiff's Motion for Preliminary Injunction" filed in this cause by defendants and am familiar with the contents thereof. On page 1 of said memorandum defendants contend that plaintiff has been guilty of laches in that a period of nineteen months elapsed between the time plaintiff first made known its position and the filing of its complaint herein.

That on January 7, 1947, affiant wrote defendants informing [17] them that unless they ceased the use of the trade name "Maternity Lane", plaintiff would institute legal action to enjoin their use of said trade name. (See Exhibit M of the affidavit of Raphael Bryant Malsin, filed in this cause by plaintiff in support of its motion for a preliminary injunction.)

That subsequently affiant had numerous telephone conferences with Max L. Raskoff, attorney for defendants;

that settlement offers and counter-offers were considered and ultimately rejected by both parties; that these conferences were continued by affiant in the hope that defendants would reduce their demands so that this controversy could be settled and litigation avoided.

That plaintiff's complaint, motion for preliminary injunction and affidavits in support of motion for preliminary injunction were prepared during the summer of 1947 immediately after negotiations for amicable settlement of this controversy failed; that in September, 1947 affiant gave copies of said pleadings and affidavits to Max L. Raskoff, defendants' attorney, for consideration by defendants in a final effort to induce defendants to reduce their demands and in order that the controversy could be settled without subjecting the parties to the expense of litigation.

HAROLD F. BIRNBAUM

Subscribed and sworn to before me this 31st day of October, 1947.

(Seal) J. E. HIGGINS

Notary Public in and for the Said County and State.

My Commission Expires May 9, 1950. [18]

[Affidavit of Service by Mail.]

[Endorsed]: Filed Nov. 5, 1947. Edmund L. Smith, Clerk. [19]

[Title of District Court and Cause]

AFFIDAVIT OF WILLIAM FELSTINER IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION

State of New York
County of New York—ss.

William Felstiner, being duly sworn deposes and says:

I am a member of the firm of Spiro, Felstiner & Prager of New York City, New York counsel for plaintiff herein. I have read the affidavit of Max L. Raskoff filed herein in which the statement is made (page 2, lines 3-13) that on February 26, 1946, an answer was forward by him to Spiro, Felstiner & Prager, replying to the telegram and letter from my firm dated February 15, 1946 (Exhibits K and L to Affidavit of Raphael Bryant Malsin, filed herein). In this connection Mr. Raskoff attaches to his affidavit as Exhibit "A" a copy of said purported answer.

My firm never received the alleged answer referred to by [20] Mr. Raskoff.

WILLIAM FELSTINER

Subscribed and sworn to before me this 27th day of October, 1947.

(Seal) LILLIAN YAMPOLE

Notary Public in the State of New York, Residing in New York County. N. Y. Co. Clk's No. 22, Reg. No. 52-Y-8. Kings Co. Clk's No. 10, Reg. No. 36-Y-8. Commission Expires March 30, 1948. [21]

[Affidavit of Service by Mail.]

[Endorsed]: Filed Nov. 5, 1947. Edmund L. Smith, Clerk. [22]

[Title of District Court and Cause]

MINUTE ORDER

Hall, J.

From the complaint and affidavits on file, I cannot see the slightest possibility of a misleading or deceptive statement, insofar as the plaintiff's name or business is concerned, in either the name of the defendants, or the use by the defendants in their business of the words "maternity", "mother", "mother-to-be", "motherhood", or the picture of a "stork", or the picture of a clothed pregnant woman. Both the words and the ideas back of them have been so long in the public domain, as well as the use of special clothing during pregnancy, as to preclude relief under the plaintiff's complaint, or the motion for temporary restraining order and the affidavits filed. Nor does the use of the word "Lane" by the defendant indicate any basis for relief under plaintiff's complaint and affidavits.

The Motion for Injunction is denied.

The Motion to Dismiss is granted.

Defendant will prepare the appropriate Findings and Order [23] on the denial of Injunction and the appropriate Judgment of Dismissal.

Los Angeles, California, January 12, 1948.

[Endorsed]: Filed Jan. 12, 1948. Edmund L. Smith. Clerk. [24]

[Title of District Court and Cause]

PLAINTIFF'S OBJECTION TO DEFENDANTS' PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

Plaintiff objects to defendants' proposed findings of fact and conclusions of law in the following particulars:

1) Paragraph IX of the proposed findings of fact.

2) Paragraph III of the proposed conclusions of law.

MEMORANDUM OF POINTS AND AUTHORITIES

I.

The finding as to defendants' fraudulent intent contained in paragraph IX of the proposed findings of fact is objected to on the ground that the issue of whether or not the corporate defendant intended or attempted to pass itself off as plaintiff was controverted in the affidavits before the Court, there has been no examination or cross-examination of witnesses on this issue, and the Court has given no indication in its Minute Order as to any finding [25] on the issue. Moreover, a finding on the issue of fraudulent intent is immaterial and not appropriate to the Court's order denying the motion for preliminary injunction since that order is based on the Court's decision that the names used in business by plaintiff and defendants are not similar; and intent therefore becomes immaterial. Nor is a finding of fraudulent intent necessary for the decision of plaintiff's motion for preliminary injunction herein. Cf. Brooks Bros. v. Brooks Clothing Co. of

California, 60 F. Supp. 442, 451 (S. D. Cal., 1945), affirmed, 158 F. (2d) 798 (C. C. A. 9th, 1947) (adopting the District Court opinion), cert. denied, 328 U. S. 217 (1947); Hoover Co. v. Groger, 12 C. A. (2d) 417, 419, 55 P. (2d) 529 (1936).

II.

The finding, contained in paragraph IX of the proposed findings of fact, that plaintiff has not alleged that any members of the public have been confused or misled with respect to the identity of the corporate parties to this action is improper since what the plaintiff did not allege, and therefore defendants could not, and did not controvert or admit, is not before the Court; and there should not be a finding as to a fact about which there is nothing in the record. Moreover, such a finding is unnecessary since actual confusion or deception is unnecessary even as to an order granting a preliminary injunction. Cf. Academy of Motion Picture Arts and Sciences v. Benson, 15 C. (2d) 685, 691-92, 104 P. (2d) 650-653 (1940); Willys Overland Co. v. Akron-Overland Tire Co., 268 Fed. 151 (D. C. Del., 1920), affirmed, 273 Fed. 674 (C. C. A. 3d, 1921).

III.

Plaintiff objects to paragraph III of proposed conclusions of law on the ground that there are no findings of fact by the Court to support the conclusions of law that plaintiff has been guilty of laches. Nor is the Court's denial of plaintiff's motion for preliminary injunction

based on the ground that plaintiff was guilty of [26] laches.

IV.

Rule 52(a) of the Federal Rules of Civil Procedure only requires the Court, in granting or refusing interlocutory injunctions, to set forth the findings of fact and conclusions of law which constitute the grounds of its action. The Court need not and should not make findings on the merits but only on the issues appropriate to the interlocutory proceeding. Cone v. Rorick, 112 F. (2d) 896-97 (C. C. A. 5th, 1940). Cf. Public Service Commission v. Wisconsin Telephone Co., 289 U. S. 67 (1923).

Respectfully submitted,

LOEB AND LOEB

By Milton A. Rudin

Attorneys for Plaintiff [27]

[Affidavit of Service by Mail.]

[Endorsed]: Filed Jan. 24, 1948. Edmund L. Smith, Clerk [28]

[Title of District Court and Cause]

MEMORANDUM IN SUPPORT OF FINDING AND CONCLUSION OBJECTED TO BY PLAINTIFF

Defendant has, pursuant to the Minute Order entered by the Court herein on January 12, 1948, and pursuant to Rule 52a of the Federal Rules of Civil Procedure, prepared and filed Findings of Fact and Conclusions of Law upon the Court's denial of plaintiff's motion for preliminary injunction and served a copy of said proposed Findings and Conclusions upon counsel for plaintiff, and plaintiff's counsel has, in accordance with the provisions of Rule 7a of the Rules of the United States District Court for the Southern District of California, acknowledged service of said proposed Findings and Conclusions and filed objections thereto. Plaintiff's objections are specifically directed to paragraph IX of the proposed Findings [29] of Fact, and paragraph III of the proposed Conclusions of Law; plaintiff has made no objection to any of the other proposed Findings and Conclusions. This memorandum is submitted on behalf of defendants in support of the Finding and the Conclusion to which plaintiff objects.

I.

Plaintiff objects to proposed Finding IX on the ground that the Court gave no indication in its Minute Order that the denial of the motion for preliminary injunction was based upon a finding of the good faith of defendant. As is pointed out on page 1 of plaintiff's memorandum setting forth its objections to the proposed finding, the issue of whether or not the corporate defendant intended or attempted to pass itself off as plaintiff was before the Court

in the form of contradictory affidavits filed by the respective parties.

Plaintiff alleged in paragraph XIV of its complaint that "defendants in the conduct of their business are endeavoring to pass themselves off as being connected with plaintiff in a manner and with the intent to deceive the public, and to cause the public to believe that maternity apparel sold by plaintiff can be purchased at the retail store of said defendant or by mail order from it". Again, in paragraph XV of plaintiff's complaint, it is alleged that defendants have "intensified their simulation of plaintiff and plaintiff's corporate name and trade mark".

In the affidavit of Raphael Bryant Malsin filed by plaintiff in support of its motion for preliminary injunction, there are numerous similar allegations concerning the intent of defendants. Thus, on lines 25 to 27 of page 6 of said affidavit, the affiant states "defendant is increasing its effort to hold itself out as being connected with plaintiff, and imitate plaintiff's name and slogan". On page 8, lines 2 to 8 of the same affidavit, the affiant sets forth a similar contention with respect to defendant's intent. [30]

The foregoing contentions of plaintiff as to defendant's lack of good faith are directly and specifically contradicted in the affidavit of Jack Lane, Jr., filed by defendants in opposition to plaintiff's motion for preliminary injunction, when the affiant states on lines 8 to 13 of page 4, "at no time have defendants, or any of them, intended or attempted to pirate, copy or simulate any of plaintiff's trade marks, slogans, lettering or advertising; nor have defendants, or any of them, at any time intended or attempted to confuse or mislead any customers of either plaintiff or defendants or any members of the public concerning defendants' identity".

Thus, the issue of defendants' intention and good faith was before the Court upon the motion for preliminary injunction and it is respectfully submitted that defendants are entitled to a finding on this issue of fact. Plaintiff has, in its pleadings and affidavits filed on its behalf, and in its Memorandum of Points and Authorities in support of its motion for preliminary injunction, stressed and relied on the allegation that defendant's acted in bad faith in selecting their name and in their advertising material.

On page 2 of plaintiff's Memorandum of Points and Authorities in support of its motion for preliminary injunction, plaintiff's entire statement of facts of the instant case emphasizes the alleged bad faith of defendants. Although positive proof of bad faith is not necessary to establish a cause of action if the conduct complained of is likely to mislead or cause confusion amongst members of the public, Academy of Motion Picture Arts & Sciences v. Benson, 15 Cal. (2d) 685; Sun Maid Raisin Growers v. Mossesion, 84 Cal. App. 485; Del Monte Special Food Co. v. California Packing Corp., 34 Fed. (2d) 774, the question of the defendants' good faith is an important issue upon a motion for preliminary injunction. British American Tobacco Co. v. British American Cigar Co., 211 Fed. 933.

Moreover, the recent decision of the 9th Circuit Court of Appeals in the case of Lerner Stores Corporation v. Lerner, 162 Fed. [31] (2d) 160, indicates that the Court placed great importance upon the acts of the defendant evidencing his good faith. Even the cases holding that proof of bad faith is not necessary to establish a cause

of action for unfair competition give, as the reason for the rule, that bad faith "may be assumed where the facts indicate that a purchaser, exercising ordinary care, would be likely to be deceived by imitation of a trademark." Sun Maid Raisin Growers v. Mossesion, 84 Cal. App. 485 at 497; California Prune Association v. Nicholson Co., 69 Cal. App. (2d) 207 at 220.

Conversely, it follows that where the facts indicate that a purchaser, exercising ordinary care, would not be likely to be deceived, it may be assumed that the defendant has not acted in bad faith. This assumption may well be one of the grounds upon which the Court in the instant case, reached the conclusion announced in its Minute Order of January 12, 1948. While it is true, as plaintiff sets forth in its memorandum in support of its objections, the Court did not, in its Minute Order, specifically mention the good faith of defendants, it would seem that the Court's statement in its Minute Order that there is not "the slightest possibility of a misleading or deceptive statement in so far as the plaintiff's name or business is concerned in either the name of the defendants" or their use of certain advertising material is based upon a determination of fact that the defendants did not intend or attempt to pass themselves off as plaintiff. Certainly, had the defendants intended or attempted to pass themselves off as plaintiff they would have selected a name and used advertising material which were similar to those used by plaintiff so as to confuse and mislead members of the public. In view of the conflicting affidavits, this inference follows naturally and logically from the Court's conclusion, as expressed in its Minute Order, so as to resolve the conflict in favor of defendants and support proposed Finding IX to which plaintiff objects. [32]

II.

Plaintiff also objects to the last portion of proposed Finding IX. The proposed Finding merely sets forth that plaintiff has not alleged that any members of the public have been confused or misled with respect to the identity of the corporate parties to this action. The papers filed in this cause leave such a finding completely uncontroverted. Nowhere in any of the numerous papers filed by plaintiff is there a single mention or even a suggestion that there has been any actual confusion amongst members of the public in dealing with the corporate parties to the action. Plaintiff merely contended that there was such a similarity of names that confusion would be the natural result.

Had there been allegations of actual confusion or deception and had plaintiff submitted evidence to the Court of such actual confusion or deception, it is conceivable that the Court might have concluded that there was such a similarity of names as to justify a preliminary injunction. Accordingly, defendants should be entitled to a finding such as that proposed to the effect that there was no such showing made by plaintiff.

III.

Plaintiff objects to paragraph III of the proposed Conclusions of Law on the ground that there are no Findings of Fact by the Court to support the Conclusion of Law that plaintiff has been guilty of laches.

Finding X, to which plaintiff has made no objection, fully supports the conclusion of laches. Indeed, plaintiff could not have raised any objection to proposed Finding X inasmuch as said proposed Finding is based exclusively upon facts set forth in the papers filed by plaintiff in

support of its motion for preliminary injunction. Proposed Finding X is based upon Mr. Malsin's affidavit filed by plaintiff (page 7, lines 19-28) and the exhibits attached thereto (Exhibits "K", "L" and "M") which show that on the date defendants [33] first opened their business in February of 1946, plaintiff made formal written protest of the name to be used and which was subsequently used by defendants in the carrying on of their business. The allegations of the complaint and of Mr. Malsin's affidavit further show that despite subsequent protests, defendants refused to make any change in the name under which they did business, and yet, plaintiff did not file this action until October 2, 1947, a period of approximately nineteen months after plaintiff first had knowledge of the name under which defendants did business.

As set forth on pages 1 and 2 of defendants' Memorandum of Points and Authorities in opposition to plaintiff's motion for preliminary injunction which was filed in this cause on October 17, 1947, laches is a defense to a request for preliminary injunction in cases involving alleged unfair competition or trademark infringement. Estes v. Worthington, 22 Fed. 822; C. O. Burns Co. v. W. F. Burns Co., 118 Fed. 944; Havana Commercial Co. v. Nichols, 155 Fed. 302; Best Foods v. Hemphill Packing Co., 295 Fed. 425; Quigley Publishing Co. v. Showmen's Round Table, 7 Fed. Supp. 410.

A finding and conclusion on the issue of laches is warranted inasmuch as laches was one of the grounds upon which defendants opposed the motion for preliminary injunction. (See pages 1 and 2 of Defendants' Memorandum of Points and Authorities in opposition to plaintiff's motion for preliminary injunction.) The cases above cited

were the authorities relied upon. Nor would such a Finding and Conclusion, in any way, be an adjudication on the merits of the controversy (as is apparently contended by plaintiff in its objection to the proposed Finding, page 3, lines 6, 7 and 8) inasmuch as laches is no defense to a permanent injunction. Brooks Bros. v. Brooks Clothing Co. of California, 60 Fed. Sup. 442, affd. 158 Fed. (2d) 798, cert. den. 328 U. S. 217.

Notwithstanding the fact that the Minute Order entered by the Court made no mention of the question of laches, we submit that [34] a finding and conclusion on this issue are fully supported by the uncontradicted statements filed by plaintiff which were before the Court on the motion and that such a finding and conclusion would, of themselves, amply support the Court's decision on the motion for preliminary injunction and that defendants are entitled to a finding and conclusion thereon.

It is respectfully submitted that the Findings of Fact and Conclusions of Law on plaintiff's motion for preliminary injunction, as prepared and submitted by defendants, including proposed Finding IX and proposed Conclusion III, should be signed and approved.

Dated, this 28th day of January, 1948.

H. MILES RASKOFF
Attorney for Certain Defendants [35]

[Affidavit of Service by Mail.]

[Endorsed]: Filed Feb. 4, 1948. Edmund L. Smith, Clerk. [36]

[Title of District Court and Cause]

FINDINGS OF FACT AND CONCLUSIONS OF LAW ON MOTION FOR PRELIMINARY INJUNCTION

FINDINGS OF FACT

I.

Plaintiff has been and it now is a corporation organized and existing under the laws of the State of Delaware.

II.

Plaintiff has been for many years and it is now engaged in business under the name and style of Lane Bryant, its corporate name being Lane Bryant, Inc. Lane Bryant is the name of the founder of plaintiff's business, and the name, Lane Bryant, was registered as a trade mark in the United States Patent Office on October 20, 1927, and issued as a trade mark on February 14, 1928. [37]

III.

Plaintiff maintains its principal place of business in the City of New York, State of New York and operates stores and departments in other stores in many cities located in the eastern and midwestern states of the United States. Plaintiff maintains a mail order house in the City of Indianapolis, State of Indiana, from which it conducts a mail order business throughout the United States and Canada. In each location where plaintiff is doing business it has used and is using its name and registered trade mark.

IV.

Plaintiff's business consists in the sale at retail and by mail order of women's wear, specializing in apparel for

stout women and in maternity apparel, 5% of its business being the sale of maternity apparel. In 1946 plaintiff did in excess of Forty Million ($40,000,000) Dollars worth of business of which twenty-five (25%) per cent were mail order sales.

V.

The corporate defendant has been and it now is a corporation organized and existing under the laws of the State of California. The officers of the corporate defendant are Jack Lane, Jr., Jane Lane and Lucille Lane, and they and each of them have been and they now are residents of the State of California. The corporate defendant is a closely held family corporation with all of its stock being owned by members of a family having the surname of Lane.

VI.

The corporate defendant has been since the month of February, 1946, and it now is engaged in business in the City of Los Angeles, County of Los Angeles and State of California under the name and style of Maternity Lane, its corporate name being Maternity Lane Ltd.

VII.

The corporate defendant maintains its single place of [38] business in the City of Los Angeles, State of California, where it is engaged exclusively in the sale at retail of maternity apparel, and also conducts a mail order business soliciting orders through national advertising.

VIII.

Plaintiff and the corporate defendant engage in newspaper and magazine advertising and each has used a script-type lettering in displaying their respective names

and in their advertising material, and both have used the phrase "mother-to-be" and "mothers-to-be" in their advertising material. The corporate defendant has, on occasion, used several types of lettering other than script-type in displaying its name and in its advertising material. After the first week of September, 1947, defendants discontinued the use of script-type lettering in their advertising material.

IX.

The corporate defendant has not intended or attempted to pass itself off as plaintiff nor has plaintiff alleged that any members of the public have been confused or misled with respect to the identity of the corporate parties to this action.

X.

Plaintiff had knowledge of the name and the business activity of the defendants since on or about February 15, 1946, and on that date and on several occasions thereafter, plaintiff protested to the defendants of the use by defendants of the name "Maternity Lane" in connection with the sale of maternity apparel. After negotiations between the parties defendants refused to make any changes in the name under which they did business, whereupon plaintiff commenced this action on October 2, 1947.

CONCLUSIONS OF LAW

I.

The names used in business by plaintiff and defendants are not similar and the public is not likely to be confused or misled thereby. [39]

II.

The words "maternity", "mother", "mother-to-be", "mothers-to-be", "motherhood", the picture of a stork and the picture of a clothed pregnant woman are merely descriptive and cannot be exclusively appropriated as part of a trade name; nor have the aforesaid words or pictures acquired a secondary meaning associated with plaintiff.

III.

Plaintiff has been guilty of laches with respect to seeking to enjoin defendant from using the name "Maternity Lane" in connection with the sale of maternity apparel.

IV.

There is no such similarity of names as to present a case which is clear and free from reasonable doubts.

V.

Plaintiff is not entitled to a preliminary injunction.

Dated this 3 day of Feb., 1948.

PEIRSON M. HALL
United States District Judge.

Approved as to form:
LOEB AND LOEB
By H. F. Birnbaum
Attorneys for Plaintiff [40]

Received copy of the within Findings of Fact and Conclusions of Law this 22nd day of January, 1948. Loeb & Loeb, by H. F. Birnbaum, Attorneys for Plaintiff.

[Endorsed]: Filed Feb. 4, 1948. Edmund L. Smith, Clerk. [41]

In the District Court of the United States in and for the Southern District of California
Central Division
No. 7664-PH

LANE BRYANT, INC., a corporation,

Plaintiff,

vs.

MATERNITY LANE LTD. OF CALIFORNIA, a corporation; JACK LANE, JR.; JANE LANE; LUCILLE LANE; JOHN DOE ONE; and JOHN DOE TWO,

Defendants.

ORDER DENYING PRELIMINARY INJUNCTION

This cause coming on regularly to be heard upon the motion of plaintiff for preliminary injunction, and upon plaintiff's verified complaint, and upon affidavits filed on behalf of plaintiff and defendants, and after hearing counsel for the respective parties the motion was duly submitted to the Court for decision. The Court having heretofore issued its Minute Order denying said motion and having made Findings of Fact and Conclusions of Law,

It Is Hereby Ordered, Adjudged and Decreed, that plaintiff's motion for preliminary injunction be, and it hereby is, denied.

Dated this 3rd day of Feb., 1948.

PEIRSON M. HALL
United States District Judge

Approved as to form: Loeb and Loeb, by H. F. Birnbaum, Attorneys for Plaintiff.

Judgment entered Feb. 4, 1948. Docketed Feb. 4, 1948. Book 48, page 338. Edmund L. Smith, Clerk; by J. M. Horn, Deputy.

[Endorsed]: Filed Feb. 4, 1948. Edmund L. Smith, Clerk. [42]

In the District Court of the United States in and for the Southern District of California
Central Division

No. 7664-PH

LANE BRYANT, INC., a corporation,

Plaintiff,

vs.

MATERNITY LANE LTD. OF CALIFORNIA, a corporation; JACK LANE, JR.; JANE LANE; LUCILLE LANE; JOHN DOE ONE; and JOHN DOE TWO,

Defendants.

JUDGMENT OF DISMISSAL

The cause came on regularly to be heard upon defendants' motion that the same be dismissed on the ground that the complaint filed herein failed to state a claim against defendants upon which relief can be granted. The Court, having duly heard and considered the affidavits, proofs, papers and arguments of the parties respectively, granted the motion.

Wherefore, It Is Ordered, Adjudged and Decreed, that the action be and the same is hereby dismissed on the merits, and that defendant recover of the plaintiff its costs.

Dated this 3rd day of Feb., 1948.

PEIRSON M. HALL
United States District Judge

Approved as to form: Loeb and Loeb, by H. F. Birnbaum, Attorneys for Plaintiff.

Judgment entered Feb. 4, 1948. Docketed Feb. 4, 1948. C. O. Book 48, page 337. Edmund L. Smith, Clerk; by J. M. Horn, Deputy.

[Endorsed]: Filed Feb. 4, 1948. Edmund L. Smith, Clerk. [43]

[Title of District Court and Cause]

NOTICE OF APPEAL

To the Clerk of the Above-Entitled Court:

Notice is hereby given that Lane Bryant, Inc., a corporation, plaintiff above named, hereby appeals to the Circuit Court of Appeals for the Ninth Circuit from the order denying plaintiff's motion for preliminary injunction entered in this court on February 4, 1948, in Civil Order Book 48, at page 338, and from the final judgment entered in this court on February 4, 1948, in Civil Order Book 48 at page 337.

Dated: March 4, 1948.

LOEB AND LOEB
By Milton A. Rudin
Attorneys for Plaintiff [14]

[Affidavit of Service by Mail.]

[Endorsed]: Filed & mld. copy to H. Miles Raskoff, Deft's Atty., Mar. 5, 1948. Edmund L. Smith, Clerk. [45]

In the United States District Court in and for the Southern District of California
Central Division

No. 7664-PH

LANE BRYANT, INC., a corporation,

Plaintiff,

vs.

MATERNITY LANE LTD. OF CALIFORNIA, a corporation; JACK LANE, JR., JANE LANE and LUCILLE LANE,

Defendants.

BOND FOR COSTS ON APPEAL

The undersigned hereby acknowledge that Lane Bryant, Inc., a Delaware corporation, as principal, and Royal Indemnity Company, a New York corporation, duly licensed for the purpose of making, guaranteeing or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as surety, are held and truly bound unto Maternity Lane Ltd. of California, a California corporation, Jack Lane, Jr., Jane Lane and Lucille Lane, defendants in the within action, their successors or assigns, in the sum of $250.00 lawful money of the United States of America, for the payment of which well and truly to be made we hereby bind ourself, our successors and assigns, as the case may be, jointly and severally.

Whereas, on February 4, 1948, in an action pending in the above-entitled court between Lane Bryant, Inc., a Delaware [46] corporation, as plaintiff, and Maternity Lane Ltd. of California, a California corporation, Jack Lane, Jr., Jane Lane and Lucille Lane, as defendants, an

order denying said plaintiff's motion for preliminary injunction and a judgment against said plaintiff were entered, and the said plaintiff having filed a notice of appeal from such order and judgment to the United States Circuit Court of Appeals for the Ninth Circuit;

Now, Therefore, the condition of this obligation is such, that if the said plaintiff shall prosecute its appeal to effect and shall pay costs if the appeal is dismissed or the order and judgment affirmed, or such costs as the said Circuit Court of Appeals may award against the said plaintiff if the judgment is modified or in any other event, then this obligation to be void; otherwise to remain in full force and effect.

Dated: March 5th, 1948.

(Seal) ROYAL INDEMNITY COMPANY

By Elmer E. Fitz

Its Attorney-in-Fact

State of California,
County of Los Angeles—ss.

On this 5th day of March in the year 1948, before me, Hannah Waterman, a Notary Public in and for the County and State aforesaid, personally appeared Elmer E. Fitz, known to me to be the person whose name is subscribed to the within instrument and known to me to be the Attorney-in-Fact of Royal Indemnity Company and acknowledged to me that he subscribed the name of the said Company thereto as principal, and his own name as Attorney-in-Fact.

(Seal) HANNAH WATERMAN

Notary Public in and for Said County and State

My com. expires 7/13/51.

Examined and recommended for approval as provided in Rule 8. Loeb and Loeb, by Milton A. Rudin, Attorneys for Plaintiff.

Approved 3-5-48. Edmund L. Smith, Clerk U. S. District Court, Southern District of California; by Wm. A. White, Deputy.

[Endorsed]: Filed Mar. 5, 1948. Edmund L. Smith, Clerk. [47]

[Title of District Court and Cause]

STIPULATION EXTENDING TIME TO FILE RECORD ON APPEAL AND TO DOCKET THE APPEAL

It Is Hereby Stipulated by and between the parties hereto, through their respective counsel, that the time within which the record on appeal from the Order Denying Plaintiff's Motion for Preliminary Injunction and from the Judgment must be filed, and the appeal docketed with the Circuit Court of Appeals, may be extended to and including June 3, 1948. Notice of said appeal was filed March 5, 1948.

Dated: April 8, 1948.

LOEB AND LOEB
By Milton A. Rudin
Attorneys for Plaintiff

H. MILES RASKOFF
Attorney for Defendants

[Endorsed]: Filed Apr. 12, 1948. Edmund L. Smith, Clerk. [48]

[Title of District Court and Cause]

ORDER EXTENDING TIME TO FILE RECORD ON APPEAL AND TO DOCKET THE APPEAL

It having been stipulated by and between the parties that the time within which the record on appeal from the Order Denying Plaintiff's Motion for Preliminary Injunction and from the Judgment must be filed, and the appeal docketed with the Circuit Court of Appeals, may be extended to and including June 3, 1948, and good cause appearing therefor,

It Is Hereby Ordered that the time for filing the record on appeal, and for docketing the appeal in the above-entitled cause with the Circuit Court of Appeals, be and is hereby extended to and including June 3, 1948.

Dated: April 12, 1948.

PEIRSON M. HALL
United States District Judge

[Endorsed]: Filed Apr. 12, 1948. Edmund L. Smith, Clerk. [49]

[Title of District Court and Cause]

NOTICE OF SUBSTITUTION OF ATTORNEYS

To the Defendants Above Named and to H. Miles Raskoff, Esq., Their Attorney:

You Will Please Take Notice that McCutchen, Thomas, Matthew, Griffiths & Greene and Harold A. Black, 704 Roosevelt Building, 727 West Seventh Street, Los An-

geles 14, California, telephone Vandike 3186, have been substituted as attorneys for plaintiff herein in the place and stead of Loeb & Loeb.

LOEB & LOEB

By Harold F. Birnbaum

McCUTCHEN, THOMAS, MATTHEW, GRIFFITHS & GREENE

By Harold A. Black

Dated: May 24, 1948.

[Endorsed]: Filed May 25, 1948. Edmund L. Smith, Clerk. [50]

[Title of District Court and Cause]

STIPULATION FOR TRANSMISSION OF CERTAIN ORIGINAL PAPERS AS PART OF RECORD ON APPEAL

It Is Hereby Stipulated and Agreed that in lieu of transmitting copies, the Clerk of this Court shall transmit to the Circuit Court of Appeals for the Ninth Circuit, as part of the record on appeal herein, the following original documents:

1. Affidavit of Raphael Bryant Malsin in support of preliminary injunction, and all exhibits attached thereto, filed October 2, 1947.

2. Affidavit of Harold F. Birnbaum in support of motion for preliminary injunction, and all exhibits attached thereto, filed October 2, 1947.

3. Affidavit of Jack Lane, Jr., in support of defendants' motion to dismiss and in opposition to plaintiff's motion for preliminary injunction, and all exhibits attached thereto, filed October 17, 1947. [51]

The reason for the foregoing stipulation is that the documents above mentioned have attached thereto numerous exhibits, the reproduction of which would be difficult and expensive, and it is thought desirable to make appropriate arrangements with the Clerk of the Circuit Court of Appeals for the printing and reproduction of such parts of said documents as may be practicable.

Dated: May 24, 1948.

McCUTCHEN, THOMAS, MATTHEW, GRIFFITHS & GREENE

HAROLD A. BLACK

Attorneys for Plaintiff and Appellant

H. MILES RASKOFF

Attorney for Defendants and Appellees

It Is So Ordered:

LEON R. YANKWICH

United States District Judge

[Endorsed]: Filed May 25, 1948. Edmund L. Smith, Clerk. [52]

[Title of District Court and Cause]

CERTIFICATE OF CLERK

I, Edmund L. Smith, Clerk of the District Court of the United States for the Southern District of California, do hereby certify that the foregoing pages numbered from 1 to 54, inclusive, contain full, true and correct copies of Complaint for Injunction; Notice of Motion for Preliminary Injunction; Notice of Motion to Dismiss; Affidavit of Max L. Raskoff in Support of Defendants' Motion to Dismiss and in Opposition to Plaintiff's Motion for Preliminary Injunction; Counter-Affidavit of Harold F. Birnbaum in Support of Motion for Preliminary Injunction; Affidavit of William Felstiner in Support of Plaintiff's Motion for Preliminary Injunction; Minute Order Filed and Entered January 12, 1948; Plaintiff's Objection to Defendants' Proposed Findings of Fact and Conclusions of Law; Memorandum in Support of Finding and Conclusions Objected to by Plaintiff; Findings of Fact and Conclusions of Law on Motion for Preliminary Injunction; Order Denying Preliminary Injunction; Judgment of Dismissal; Notice of Appeal; Bond for Costs on Appeal; Stipulation and Order Extending Time to File Record and Docket Appeal; Notice of Substitution of Attorneys; Stipulation and Order for Transmission of Original Papers and Stipulation Designating Record on Appeal which, together with the original Affidavits of Raphael Bryant Malsin and Harold F. Birnbaum in Support of Motion for Preliminary Injunction and original Affidavit of Jack Lane, Jr. in Support of

Defendants' Motion to Dismiss and in Opposition to Plaintiff's Motion for Preliminary Injunction and Exhibits thereto, transmitted herewith, constitute the record on appeal to the United States Circuit Court of Appeals for the Ninth Circuit.

I further certify that my fees for preparing, comparing, correcting and certifying the foregoing record amount to $7.45 which sum has been paid to me by appellant.

Witness my hand and the seal of said District Court this 26 day of May, A. D. 1948.

(Seal) EDMUND L. SMITH
Clerk
By Theodore Hocke
Chief Deputy.

[Endorsed]: No. 11940. United States Circuit Court of Appeals for the Ninth Circuit. Lane Bryant, Inc., Appellant, vs. Maternity Lane Ltd., of California, a corporation, Jack Lane, Jr., Jane Lane and Lucille Lane, Appellees. Transcript of Record. Upon Appeal From the District Court of the United States for the Southern District of California, Central Division.

Filed May 27, 1948.

PAUL P. O'BRIEN
Clerk of the United States Circuit Court of Appeals for the Ninth Circuit

In the Circuit Court of Appeals of the United States in and for the Ninth Circuit

No. 11940

LANE BRYANT, INC.,

Appellant,

vs.

MATERNITY LANE, LTD., et al.,

Appellees.

STATEMENT OF POINTS UPON WHICH APPELLANT INTENDS TO RELY AND DESIGNATION OF PART OF RECORD NECESSARY FOR CONSIDERATION THEREOF

Appellant Lane Bryant, Inc., intends to rely on appeal on the following points:

The District Court erred in denying plaintiff's (appellant's) motion for preliminary injunction.

The District Court erred in making a finding as to defendants' (appellees') lack of fraudulent intent (Finding IX) in connection with the denial of motion for preliminary injunction, appellant contending that such finding is immaterial and inappropriate.

The District Court erred in concluding that plaintiff (appellant) was guilty of laches, and in including Paragraph III as part of the Conclusions of Law in connection with denial of motion for preliminary injunction.

The District Court erred in granting defendants' (appellees') motion to dismiss the complaint and in giving and making the judgment of dismissal filed February 4, 1948.

* * * * * * * * *

McCUTCHEN, THOMAS, MATTHEW, GRIFFITHS & GREENE

HAROLD A. BLACK

Attorneys for Appellant

Receipt of copy of the foregoing Statement and Designation is admitted this 3rd day of June, 1948. H. Miles Raskoff, Attorney for Appellees.

[Endorsed]: Filed Jun. 3, 1948. Paul P. O'Brien, Clerk.

[Title of Circuit Court of Appeals and Cause]

STIPULATION AND REQUEST THAT CERTAIN EXHIBITS BE CONSIDERED BY THE COURT IN THEIR ORIGINAL FORM

It Is Hereby Stipulated and Agreed that in lieu of printing or otherwise reproducing the exhibits hereinafter mentioned, said exhibits be considered by the Court in their original form; the said exhibits so to be considered in their original form are the following:

1. All exhibits attached to affidavit of Raphael Bryant Malsin in support of preliminary injunction filed October 2, 1947.

2. All exhibits attached to affidavit of Harold F. Birnbaum in support of motion for preliminary injunction filed October 2, 1947.

3. All exhibits attached to affidavit of Jack Lane, Jr., in support of defendants' motion to dismiss and in opposition to plaintiff's motion for preliminary injunction filed October 17, 1947.

The Court is respectfully requested to dispense with the printing or other reproduction of the exhibits above mentioned because of the large number of photostats and photographs contained in such exhibits.

McCUTCHEN, THOMAS, MATTHEW, GRIFFITHS & GREENE

HAROLD A. BLACK

Attorneys for Appellant

H. MILES RASKOFF

Attorney for Appellees

So Ordered:

FRANCIS A. GARRECHT

Senior United States Circuit Judge

[Endorsed]: Filed Jun. 3, 1948. Paul P. O'Brien, Clerk.